

## **WHAT IS THE REDEVELOPMENT PROCESS?**

### **WHAT AUTHORITY ALLOWS FOR REDEVELOPMENT?**

The California Community Redevelopment Law, contained in the California Health and Safety Code beginning with Section 33000 et seq., provides the authority and implementation provisions for a redevelopment program. Article XV1, Section 16 of the California Constitution, adopted in 1952 by the voters of the state, provides for tax increment financing, an important mechanism for implementation of the California Community Redevelopment Law.

### **HOW DOES REDEVELOPMENT START?**

The California Community Redevelopment Law provides that any county or city can establish a redevelopment agency by the action of their governing body.

### **WHO IS THE GOVERNING BODY?**

In all but sixteen agencies in California, the governing body of the community (either the city council or board of supervisors depending upon whether it is a city or county agency) also acts as the board of the redevelopment agency. Therefore, the agencies are headed by elected officials answerable to the voters of the community for their actions.

### **ISN'T THE REDEVELOPMENT AGENCY JUST ANOTHER LAYER OF GOVERNMENT WHICH CAUSES A GREATER BUREAUCRACY IN OUR COMMUNITY?**

No. While the agency is legally a separate unit of local government, the governing body of the community provides the authority usually sits as members of the agency. The agency provides another tool available to a city or county to fulfill the specific need in the community revitalization. The redevelopment agency enables the city or county to bridge the roles of the public and private sectors.

### **HOW IS A PROJECT AREA CHOSEN?**

The governing body first designates a survey area. The survey area includes properties to be evaluated to determine the existence of blight and the feasibility of redevelopment. Based upon this evaluation, the planning commission selects one or more 'project areas' and indicates how the purpose of the Community Redevelopment Law can be attained by redevelopment of the area. A project area which contains blighted conditions is where redevelopment activities may be undertaken.

### **HOW DOES THE LAW DEFINE A BLIGHTED AREA WITHIN A PROJECT AREA?**

A blighted area is characterized by conditions causing reduction of proper use of the area to such a extent that it constitutes a serious physical or economic burden on the community which cannot reasonable by expected to be reversed or alleviated by private enterprise acting alone.

### **DO ALL PROPERTIES, PARCELS, OR STRUCTURES, NEED TO BE BLIGHTED IN ORDER TO BE INCLUDED IN A PROJECT AREA?**

A project area may include lands, building, or improvements which are not detrimental to the public health, safety, or welfare of the community, but whose inclusion is found necessary for the effective redevelopment of the area. These areas may not be included for the sole purpose of obtaining the allocation of tax increment revenues from such areas without other substantial justification for their inclusion.

### **DOES A PROJECT AREA NEED TO BE CONTIGUOUS?**

The project area may include contiguous or noncontiguous properties. Non-contiguous areas of a project area must be either blighted or necessary for effective redevelopment. An unblighted non-contiguous area is conclusively deemed necessary for effective redevelopment if the area is being used predominantly for the relocation of owners or tenants from other project areas in the community or for low- and moderate-income housing construction.

### **WHAT IS A REDEVELOPMENT PLAN?**

A redevelopment plan describes the purposes, goals, and objectives aimed at eliminating existing physical and economic blight. The redevelopment plan must be in harmony with the City or County General Plan. A redevelopment plan generally contains the following components:

- ▶ A legal description of the project area in written and graphic form and a description of land uses;
- ▶ A description of the proposed actions to be taken to carry out redevelopment, covering the duties, powers, and authorities of the redevelopment agency as well as describing the rights of owners and tenants;
- ▶ A description of the authority and limitations for financing the activities necessary to implement the plan;
- ▶ A plan for how the agency will implement redevelopment projects to remove the blight

### **WHAT IS A PROJECT AREA COMMITTEE (PAC)?**

A PAC is required if a redevelopment project area includes a substantial number of residential units for low- and moderate-income persons and families that might be displaced. The agency Must consult with, and obtain the advice of residents, property owners, business owners, and community organizations in a project area, who are elected to the PAC, on those policy matters which deal with the planning and provision of replacement residential facilities, relocations, and other policy matters which affect the residents of the project area

## **WHAT MAY A REDEVELOPMENT AGENCY DO?**

### **THE AGENCY MAY:**

- ▶ Acquire or assemble land for public or private reuse through legal means. These legal means may include:
  - Negotiated Purchase –  
A mutual agreement between the Agency and a seller to transfer land and/or improvements for a specified price, usually the fair market value.
  - Eminent Domain –  
When the power of eminent domain is contained within the finally adopted redevelopment plan, the agency may exercise its authority to acquire land and/or improvements by eminent domain if all efforts to negotiate a purchase have failed. The agency is required by law to pay fair market value in such an action and the property owner is entitled to a jury trial on the issue of fair market value.
- ▶ Clear, grade, and prepare acquired land for reuse or for resale to private developers or government agencies in accordance with the objectives of the redevelopment plan;
- ▶ Construct public improvements and facilities alone or in concert with other public authorities and agencies;
- ▶ Encourage public and private improvements so as to prevent, mitigate, or eliminate existing and/or anticipated blight conditions in the project area; and/or
- ▶ Demolish, remove, rehabilitate, alter, modernize, and cause general improvements to be made to existing structures in the project area where such are permitted or required under provisions and in conformance with the redevelopment plan.

### **THE AGENCY SHALL:**

- ▶ Provide moving and other relocation assistance and benefits to qualified individuals, businesses, and non-profit organizations when they are required to move as a result of the implementation of the redevelopment plan;
- ▶ Provide for owner participation in the redevelopment of property in the project area and extend reasonable preference to persons who are engaged in business in the project area to reenter into business within the project area;
- ▶ Provide for the use of 20 percent of tax increment revenues resulting from the project area to be used for the purpose of increasing and improving the community's supply of housing for persons and families of very low-, low-, or moderate-income unless particular findings are made by the redevelopment agency that relieve it of such a requirement; and
- ▶ Provide an equal number of replacement dwelling units for low- and moderate-income dwelling units destroyed or removed from the project area by the agency.

**AFTER THE REDEVELOPMENT PLAN IS ADOPTED HOW IS THE COMMUNITY ASSURED THAT THE AGENCY WILL CARRY OUT THE PLAN?**

All substantial activities and actions of the agency require consideration and approval by elected representatives at a public meeting or public hearing with notice duly given, as appropriate. In addition, activities of the agency are first approved at a public meeting during the adoption of the annual budget, at which time it also establishes its goals for the coming year and analyzes its achievements toward goals set in the previous year. Additionally, the law requires that the agency prepare an annual report and have an independent audit prepared of its redevelopment activities which must be Submitted to the governing body and to the State Controller. These are available for public inspection and comment. Further, a redevelopment agency must adopt or update a plan that provides information about projects that the agency plans to undertake at least every five years.

**WHO ADOPTS THE REDEVELOPMENT PLAN?**

A redevelopment plan is adopted by ordinance of the governing body of the community based on the recommendations of the agency, the Planning Commission, and Project Area Committee (if formed). Citizen input, at the required public hearings, is also considered before plan adoption.

**DO THE CITIZENS VOTE ON WHETHER OR NOT TO HAVE REDEVELOPMENT?**

There is usually no direct citizen vote to affirm or deny the formation of a redevelopment area. However, citizen participation is an essential ingredient in any successful redevelopment program. Formation of a Project Area Committee to review the proposed plan is encouraged, though not required unless there are a substantial number of low- to moderate-income residential units in the project area.

**DOES THE PUBLIC HAVE A VOICE IN REDEVELOPMENT?**

A continuing dialogue with the public is crucial to a input, ideas, and support, any redevelopment plan will falter. Citizens have a role to play in creating revitalized areas. The redevelopment plan for a project area is presented at a public hearing and citizens are given an opportunity to review and comment on the plan. Meetings of the agency and Project Area Committee are open to the public.